

FISCAL NOTE

SB 1545 - HB 1489

March 11, 1997

SUMMARY OF BILL: Reduces the tax rate on income from dividends (the Hall Income Tax) from 6% to 3%. The tax is apportioned 5/8ths to the General Fund and 3/8ths to local governments by situs.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$24,000 One-Time
\$2,500 Recurring**

Decrease State Revenues - \$38,031,000 in the First Full Year

Decrease Local Govt. Revenues - \$22,819,000 in the First Full Year

Assumes an increase in one-time state expenditures of \$24,000 and recurring state expenditures of \$2,500 for computer systems changes.

Also assumes estimated FY 97-98 collections of \$121,700,000 in the absence of this bill.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director